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2300 PROGRAM OVERSIGHT

2301 Overview

This chapter provides a description of the many program oversight requirements for DES/DDD. Oversight is defined as the function or process of program review for the purpose of determining quality, efficiency and effectiveness of service delivery.

The chapter describes individual oversight functions as they apply to the various types of programs provided by DES/DDD. It also describes oversight of support coordination processes.

While all programs have some form of oversight, the specific method governing the process will vary according to the type of program. This chapter discusses both internal and external oversight activities as well as appropriate follow-up actions.

42 CFR
A.R.S. § 36-550, et seq.
A.A.C 6-6
A.A.C 9-28
ALTCS Policy and Procedure Manual

2302 Quality Management

Quality management combines activities traditionally referred to as quality assurance, utilization review and risk management. The scope of the quality management activities of Managed Care Operations (MCO) includes acute and ambulatory health care, nursing facilities, ICFs/MR, home and community based services and mental health services.

MCO's quality management activities include:

- a. monitoring the quality and delivery of acute health care services provided by health plan provider networks and fee-for-service (FFS) providers;

- b. prior authorization of all acute health care services for people residing in FFS counties and for Native Americans receiving services outside Indian Health Service (IHS) facilities;
- c. prior authorization of home and community based services requiring physician order;
- d. participation in discharge planning activities for all movement of individuals;
- e. concurrent review of hospitalized individuals in FFS counties;
- f. medical support coordination of individuals meeting criteria for being medically involved;
- g. participation in cost effectiveness studies for individuals whose cost exceeds 80% of the cost of an ICF/MR;
- h. continued stay reviews for individuals residing in ICFs/MR;
- i. conducting PASARR Level II reviews for people residing in or seeking residence in NFs;
- j. coordination of Quality of Life reviews and initiation of corrective action;
- k. conducting Medical Care Evaluation studies and implementing recommendations;
- l. responding to corrective action requests from AHCCCS and other regulatory agencies; and
- m. at the request of the Medical Services Manager, District Utilization Review Nurses will, on a weekly basis, monitor all care provided to individuals residing in NFs placed on termination status by AHCCCS. The District Utilization Review Nurse will make a recommendation to the Medical Director to remove a NF from weekly monitoring when the facility is in complete compliance with the NF Assessment Tool.

2303 ALTCS Site Reviews

Teams of Support Coordinators, supervisors and other DES/DDD staff led by ALTCS Specialists will do reviews of ALTCS services and processes. These reviews will include a review of support coordination processes, placement in services and information contained in ASSISTS. Upon completion of the review, the team will prepare a report of their findings and discuss them with the DPM, supervisor and other relevant staff. The DPM will be responsible for preparing a plan of correction, if indicated, which will be monitored by the ALTCS Specialist. ALTCS Specialists will provide training and technical assistance. Each support coordination office will have an annual review.

2304 Community Residential Settings

Community residential settings provide living arrangements for individuals with developmental disabilities. These arrangements are classified as group homes, adult developmental homes (ADH), child developmental foster homes (CDFH), Intermediate Care Facilities for the Cognitive Disabled (ICF/MR) or Nursing Facilities (NF). Providers of community residential services are responsible for providing room, board and care for the individuals placed with them. Group homes may be either contracted or State operated. DES/DDD contracts with one (1) ICF/MR; the others are State operated. All NFs, ADHs and CDFHs are under contract.

Any observed violations of residential licensing requirements, as noted later in this chapter, must be reported immediately to the District Monitor or the Foster Care Licensing Specialist for follow-up. If the situation warrants, after consultation with the District Monitor the Support Coordinator must complete an Unusual Incident Report (Appendix 2000.A) and follow the reporting process outlined in Chapter 2100 of this Manual.

The specific oversight components applied to the various types of community residential settings differ according to the type of residential setting. These components are described in the following sections.

2304.1 Support Coordination

Oversight for individuals residing in community residential settings begins with Support Coordinators. It is the Support Coordinator's on-site review, while the person is there, of the Individual Support Plan (ISP) that serves as the first level of oversight to ensure the services are meeting the individual's needs (see Section 1002).

In the case of children who are wards of the State, the Support Coordinator's oversight responsibilities are expanded to include foster care requirements as noted in Chapter 1400. The specific requirements are established in each child's case plan as approved by the court.

Support Coordinators for individuals living in State operated Intermediate Care Facilities for the Cognitive Disabled (ICF/MR) are called "Qualified Cognitive Disability Professionals" (QMRPs). All individuals residing in ICFs/MR are required to have an active treatment program (ISP) that must be integrated, coordinated and monitored by a QMRP. This program must be designed to accelerate the acquisition of skills while preventing the loss of skills already acquired. In addition to ongoing monitoring of the individual's active treatment program, QMRPs must formally review the individual's ISP at least every 180 days. Additionally, the QMRP must review and revise the ISP as necessary, including, but not limited to situations in which the individual:

- a. has successfully completed an objective or objectives identified in the plan;
- b. is regressing or losing skills already gained;
- c. is failing to progress toward identified objectives after reasonable efforts have been made; or
- d. is being considered for training toward new objectives.

The QMRP will determine if full ISP team involvement is needed for those reviews which are not annual. Documentation of each review is to be included in the Progress Notes.

2304.2 Residential Licensing

All community residential settings funded or operated by DES/DDD, except Nursing Facilities, must comply with 100% of the licensing rules as determined by the annual licensing review. This includes group homes, adult developmental homes and child developmental foster homes. While State operated residential settings do not receive a license, compliance with the rules is still required. Additionally, all community residential settings must:

- a. comply with all applicable health safety and sanitation codes or standards and document compliances;
- b. file reports as prescribed by the Department;
- c. allow DES/DDD to inspect or monitor the facility and it's books and records;
- d. comply with rules adopted by the Department;

- e. provide adequate safety and protection for individuals living there; and
- f. allow parents and guardians of persons residing at the facility, members of the Developmental Disabilities Advisory Council and members of other recognized and ongoing advocacy groups to inspect the facility at reasonable times.

The process of licensing a group home involves an annual site inspection by one or more members of the DES/DDD Licensing Unit. Licensing staff will evaluate the setting's level of compliance to statute and rule as outlined in the DES/DDD Licensing Manual. Major areas of review include:

- a. personnel requirements;
- b. policies and practices;
- c. individual health;
- d. medications in group settings and group homes;
- e. rights of individuals with developmental disabilities; and
- f. safety requirements in group settings and group homes.

Upon completion of the annual review, licensing staff will hold an exit conference with personnel from the facility. During this conference, any violations of the rules are discussed; a written follow up report is then sent to the agency within 30 days of inspection if deficiencies are cited. The licensed setting will be reinspected within 30 days of their receipt of the licensing report to determine the status of corrective action. If any deficiencies remain, a plan of corrective action must be submitted which describes how each deficiency will be resolved. The District Monitor will complete a reinspection to verify all cited deficiencies have been corrected (see Section 2303.3). During the period of time the setting is correcting the violations, a provisional License may be awarded to allow the facility to continue operations. Upon verification that all deficiencies have been corrected, a regular license will be issued. A license is good for one year from the date of issuance.

Licensing adult developmental homes and child developmental foster homes does not require an annual inspection by the Licensing Unit. District Monitors, Child and Developmental Foster Home Licensing staff or contracted providers perform an initial home study which provides a detailed analysis of current conditions within the setting, the background of the providers, environmental conditions of the home and the status of the individuals living (or going to live) in the home. This study is a result of repeated contacts with the potential provider(s), Support Coordinators, personal references and appropriate others. A detailed outline for the

home study report is included in Appendix 2300.A This outline will be revised in the future.

A license may be denied, suspended or revoked for any of the following:

- a. an applicant or licensee violates licensing laws or rules, federal statutes or city or county ordinances or codes;
- b. an applicant or licensee refuses to cooperate in obtaining information the Department deems necessary to determine if the Department's standards have been met;
- c. an employee of the setting eighteen years of age or older has been convicted of, found by a court to have committed or is reasonably believed to have committed a sex offense, a drug related offense, a violence related offense, child abuse, child neglect or contributing to the delinquency of a minor and there is reason to believe that the person may commit any of the described offenses again;
- d. an applicant or licensee materially misrepresents or willfully fails to disclose information to the Department relating to his/her qualifications, experience or performance of responsibilities; or
- e. an assessment of the community residential setting by the Department indicates an inability to meet the physical or emotional needs of individuals.

Pursuant to recent legislation, the above requirements will change. This policy will be revised to address the changes after rules have been promulgated.

2304.3 District Monitoring

DES/DDD monitoring staff are required to visit each community residential facility at least every six (6) months to ensure compliance with licensing regulations. Additionally, monitoring staff will perform reinspection/verification visits to group homes within 30 days of the agency's receipt of the licensing report.

Reinspections/verifications will determine the status of corrective action. Monitors will review the most recent licensing report and the agency's plan of correction to verify that all deficiencies cited in the licensing report have been corrected. Reinspections may be announced or unannounced depending on the nature of the deficiencies and the need to verify on-going compliance. Monitors must not only verify how the agency has stated they will correct the deficiency, but also if systems have been developed and implemented to ensure on-going compliance.

Monitors must take detailed notes regarding the status of each noted deficiency or any other licensing issues or concerns noted during the visit.

Upon completion of the visit, the monitor will write up the findings and include the following:

- a. name and address of the community residential setting;
- b. date of monitoring visit noting that it is a reinspection;
- c. date of licensing visit;
- d. each deficiency noted in the licensing report;
- e. status of the correction with detail information reflecting the correction;
- f. any other issues, concerns or comments; and
- g. any related documentation of corrections.

If serious problems are noted, such as many deficiencies still uncorrected or any health/safety/welfare concerns, this must be called to the attention of the agency staff. The monitor must also inform the agency administrator and the Licensing Unit Supervisor within one (1) day of the visit of any serious problems. A copy of the report must be sent to the agency administrator and the Licensing Unit Supervisor.

In addition to reinspections, District monitors must visit each community residential setting to conduct a six (6) month monitoring inspection. This inspection must include a review of all licensing rules. A report must be written and submitted to the Licensing Unit Supervisor and the agency administrator. The report must include the following:

- a. name and address of the community residential setting;
- b. date of monitoring visit noting that it is a six (6) month monitoring visit;
- c. reference to each rule which was found to be deficient;
- d. a brief statement outlining the deficiency;
- e. a statement indicating the timeline (twenty (20) days from the date of the report) for a written response detailing how and when each deficiency will be corrected; and
- f. to whom the response must be submitted.

ADHs and CDFHs also must be monitored at least every six (6) months and more frequently if the situation warrants. An annual or renewal home study must be submitted to the Licensing Unit Supervisor prior to the expiration of the license. Annual home studies do not need to be as extensive as initial studies. The outline in Appendix 2300.A serves as a guide for the renewal home study.

2304.4 AHCCCS

AHCCCS, as the State Medicaid agency, has the authority to inspect ALTCS funded group homes at any time. The nature of AHCCCS oversight is to ensure compliance with the standards set forth in the ALTCS Program Management Manual. DES/DDD, as an ALTCS program contractor, is required to ensure that all ALTCS eligible individuals are receiving services as needed. This process typically involves, but is not limited to, review of support coordination functions as they relate to the ISP. AHCCCS may or may not actually visit the facility during the review.

2304.5 Department of Health Services (DHS)

DHS is mandated by AHCCCS to complete on-site monitoring surveys of five percent (5%) of licensed group homes annually to ensure compliance with ALTCS requirements. The intent of the DHS review is to ensure accurate application of licensing rules by DES/DDD staff, not to do an additional review of the provider.

DHS reviewers will receive copies of the DES/DDD weekly licensing schedule and randomly select a residential setting for review. The arrival of DHS reviewers will be unannounced to both the facility and DES/DDD licensing staff. DHS and DES/DDD staff will not discuss the review process or observations that could affect the outcome of the review. DHS reviewers will receive a copy of the DES/DDD licensing report and compare it to their findings. The goal is to have comparable review findings from both agencies.

DHS also reviews ICFs/MR annually to ensure compliance with requirements found in 42 C.F.R., especially the conditions of participation found at 483 Subpart I. The review consists of an assessment of the following four main components:

- a. delivery of active treatment;
- b. delivery of individual health care, nutrition and protections;
- c. administrative and physical environment requirements; and

- d. life safety code requirements.

Upon completion of the review, DHS prepares a statement of deficiencies and holds an exit conference to discuss their findings. The facility then prepares a plan of correction. DHS will either recommend certification or decertification to AHCCCS. The certification period is for one (1) year.

2304.6 Internal Monitoring

In addition to annual reviews by DHS, District staff perform quarterly internal monitoring reviews at each ICF/MR. These reviews mirror the reviews done by DHS and help prepare for the DHS reviews. Staff review the following:

- a. case record documentation;
- b. facility condition and practices;
- c. active treatment; and
- d. health and nutritional services.

Reviewers point out areas of concern and assist in correcting problems prior to DHS reviews.

2304.7 Continued Stay Reviews

Continued Stay Reviews ensure the appropriateness and necessity of an ICF/MR level of care through reviews of health and programmatic records. The review also assesses the quality of care and assists in discharge planning.

All individuals must be reviewed by Quality Assurance staff within six (6) months of admission and at least every six (6) months thereafter. Reviewers evaluate the physician's certificate of need for care, medical evaluations, the plan of care and the facilities Utilization Control Plan in relation to the individual's community integration, normalization and placement in the least restrictive environment.

Reviewers meet with facility staff to discuss their findings. A report of deficiencies is prepared and sent to facility staff. The facility has ten (10) days to prepare a plan of correction and submit it to the reviewers.

Individuals meeting continued stay criteria will have a new review date assigned. If an individual does not meet the criteria, a physician must

review the individual and the case record and notify the QMRP of the decision.

2304.8 **Active Treatment Reviews**

ICFs/MR may only receive reimbursement for individuals who are receiving active treatment: therefore, in addition to DHS certification reviews, DES/DDD Quality Assurance staff perform active treatment reviews. The purpose of these reviews is to determine what the facility has committed itself to do for the individual during the current ISP and whether the ISP is being carried out. The review and reporting format is similar to the continued stay review and is conducted annually.

2304.9 **Advocacy**

Advocacy agencies have the authority to review community residential settings at reasonable times. This authority was granted as a result of the Arizona Training Program Coolidge lawsuit (Griswold vs. Riley) and is noted at A.R.S. §36-593. This includes the Developmental Disabilities Advisory Council.

2304.10 **Financial Audit**

All contractors are subject to the programmatic and fiscal monitoring requirements of the Department to ensure accountability of the delivery of all goods and services as required by the Single Audit Act. Specific requirements are delineated in the General and Special Provisions sections of the provider's contract.

2305 **Day Programs**

Day programs are those programs that provide individuals with meaningful activities during some portion of the day. Day programs are typically offered as Day Treatment and Training (DTT) or Employment Related Programs. Day Treatment and Training is a covered ALTCS service while Employment Related Programs are not. Groups who contract with DES/DDD are responsible for implementing programs as described in Chapter 600 and as specified in each individual's ISP.

2305.1 Support Coordination

Support Coordination oversight activities for day programs are nearly the same as those for community residential settings. Details are found at 2304.1 of this Chapter. Support Coordinators are not required to perform on-site reviews for individuals residing in community residential services, however, they are recommended. A review of day program services must be included in the residential, on-site review of the ISP.

2305.2 AHCCCS

Day Treatment and Training programs are subject to AHCCCS review as noted in Section 2304.4. While Employment Related services are not covered by ALTCS, AHCCCS may still review them for individuals residing in ICFs/MR. Employment Related programs as well as Day Treatment and Training must provide Active Treatment for all individuals residing in ICFs/MR.

2305.3 Department of Health Services

DHS will review Day Treatment and Training and Employment related programs as part of the ICF/MR survey to ensure Active Treatment is being provided. Further detail is provided in Section 2304.5 of this Chapter.

2305.4 Internal Monitoring

ICF/MR Internal Monitoring teams will review day programs as part of the internal monitoring process outlined in Section 2304.6 of this Chapter.

2305.5 Active Treatment Reviews

Active Treatment reviews include reviews of the ISP at the day program. See Section 2304.8 for further detail.

2305.6 Financial Audit

Day program providers are subject to the financial audit requirements set forth at Section 2304.10 of this Chapter.

2305.7 Department of Labor

The Department of Labor requires that programs compensate employees so they are not being exploited. Programs may apply for special certificates which allow for payment below minimum wage, however, employees must be paid at least 50% of minimum wage unless under an approved special individual rate. Further information may be found at 29 C.F.R. parts 524, 525 and 529.

2306 Home and Community Based Services

Home and community based services (HCBS) are provided to enable individuals to remain in their own homes as opposed to more restrictive environments.

2306.1 Support Coordination

Support Coordinators, through the ISP process, provide the most comprehensive oversight of HCBS. This oversight process is detailed in Section 2304.1 of this Chapter and in Chapter 1000 of this manual.

2306.2 AHCCCS

AHCCCS performs random oversight through their review of Support Coordination functions as described in Section 2304.4 of this Chapter and as part of Provider Registration Reviews. Provider Registration requirements are detailed according to each service in Chapter 600 of this manual. The process of registration and certification is described later in this Chapter.

2306.3 Financial Audit

Providers of HCBS are subject to the financial audit requirements noted in Section 2304.10 of this Chapter.

2307 Provider Certification and Registration

All providers of ALTCS services are required to be certified by DES/DDD and registered with AHCCCS (Appendix 2300.B and Appendix 2300.C). Certification requirements include training, licensure (if appropriate), fingerprint clearance and others. Specific requirements for each service are detailed in Chapter 600.

Providers of Occupational Therapy, Physical Therapy, Speech/Hearing Therapy, Respiratory Therapy and Physicians must be registered directly with AHCCCS or through an AHCCCS registered health plan. Providers should be directed to call the AHCCCS Provider Registration Unit (Appendix 100.A). The District is responsible for ensuring the Provider has an AHCCCS number. The number can be confirmed by calling the Central Office Certification/Registration Unit. The District is also responsible for notifying the Information System Unit in Central Office of the AHCCCS number so it can be entered into the Management Information System.

These providers must have a DES/DDD contract. All nurses providing supervision of Personal Care must register directly with AHCCCS for the category of service "Home Health Nurse" regardless of the service specification used in their contract. These providers must obtain their registration number from AHCCCS. The provider must complete and send to AHCCCS a Provider Participation Agreement (Appendix 2300.D) and a Provider Registration form (Appendix 2300.C). They must also have a contract with DES/DDD.

If a professional provider (one who has a professional license or certification) is to provide a service they are not registered for, i.e., a nurse registered with AHCCCS for Home Health Nurse who wants to provide Respite, it will be necessary to also be certified with DES/DDD for the additional service(s).